

PATSY B. FARIAS
610 E. Ashley Rd.
SAN ANTONIO, TX
78221

DOCKET FILE COPY ORIGINAL

July 20, 1994

The Honorable Reed Hundt
Federal Communications Commission
1919 M Street NW
Washington DC 20554

RECEIVED

AUG 12 1994

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Dear Representative Hundt:

As both an employee in the communications industry and a tax paying citizen, I am stating my strong **opposition** to **Billed Party Preference (BPP)** for 0+ Calls. Further, I respectfully request your support in ensuring that Communications Commission Docket 92-77 is defeated.

Confinement facilities are unique and, as such, they require specialized phone system equipment. These systems permit a facility to block an inmate's call to specific numbers, block undesired inbound calls, prevent three-way calling and, overall, reduce fraud and other criminal activity. All of these capabilities are inherent in the equipment which means that, for the most part, intervention by administrative personnel is not required and that the maintenance of security is not jeopardized.

A highly competitive market dictates that the technically sophisticated equipment be installed at little or no cost to the facility and that the provider's commissions be paid to the facility. The commissions facilities receive are a major source of revenue for the inmate welfare funds which finance inmate programs such as family visitation, education and rehabilitation programs. Thus, many of the positive aspects of incarceration are actually being paid for by the inmates.

Succinctly put, most, if not all, of the positive factors derived from the current way of doing business will be discarded if Billed Party Preference becomes a reality. The industry would be going back to the period prior to 1987 when few correctional facilities in the country were paid commissions and many had to pay for their inmate phone service. From a financial point of view, it could be a disaster. Local telephone and long distance companies would no longer have to pay commissions because there would be no competition. Without commissions, facilities would have to turn to their governing body and taxpayers and compete for already scarce resources. Inmate morale funding would be decreased and attended by an increase in inmate control problems. Who would pay for the inmate phone equipment necessary to control calls and prevent fraud and abuse? Again, facilities would have to turn to government sources. Cutting existing programs or increasing taxes would be the requirement to balance budgets. With inmate populations growing at rates estimated from 10 to 15 percent per year, inmate populations could increase by 40 percent by the end of the century. This, of course, will mandate an increase in the number of facilities and manpower to administer them. More inmates and facilities will necessitate more non-revenue producing inmate phone systems if BPP were approved for correctional facilities.

I appeal for your support in **defeating Communications Commission Docket 92-77** with the saying, "If it ain't broke, don't fix it!" Even though inmate phone service is not perfect, a competitive market helps ensure that improvement continues.

Sincerely,

Patsy B. Farias

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834 Spring Park
San Antonio, Tx.
78227

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July 20, 1994

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Federal Communications Commission
1919 M Street NW
Washington DC 20554

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Sincerely,

Steven Perez Jr.
St. Perez

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The Honorable Reed Hundt
Federal Communications Commission
1919 M Street NW
Washington DC 20554

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OFFICE OF THE SECRETARY

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Sincerely,



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Stephen Merrill
Governor

State of New Hampshire DOCKET FILE COPY ORIGINAL

DEPARTMENT OF CORRECTIONS

OFFICE OF THE COMMISSIONER
105 PLEASANT ST., MAIN BLDG., 4TH FLOOR
P.O. Box 1806
CONCORD, N.H. 03302-1806
603-271-5600
FAX 603-271-5643

PAUL E. BRODEUR
COMMISSIONER

N.E. PISHON
ASSISTANT COMMISSIONER

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AUG 12 1994

July 25, 1994

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

The Honorable Reed E. Hundt
Federal Communications Commission
1919 M Street, N.W.
Washington, D.C. 20554

Dear Chair Hundt:

This letter is in response to the Billed Party Preference proposal. The present system allows us to maintain some control over the inmates use of telephones and enables us to minimize the telephone abuse and criminal activities associated therewith. The present system also allows us to provide the prisoners with substantial recreational opportunities from receipts from the inmate phones.

The proposed change would result in additional telephone generated thefts by deception, more witness and victim threatening, more illicit fund transactions and a markedly diminished income to the recreation funds for the prisoners.

Please do not change a program and system that is working.

Sincerely,

Paul E. Brodeur

Paul E. Brodeur
Commissioner

PEB/st

cc: The Honorable James H. Quello
The Honorable Rachelle B. Chong
The Honorable Andrew C. Barrett
The Honorable Susan Ness

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July 20, 1994

The Honorable Christopher S. Bond
United States Senate
Russell Bldg., Room 293
Washington, D. C. 20510

RECEIVED

AUG 12 1994

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Re: CC Docket #92-77

Dear Senator:

I am writing to voice my concerns about the proposed Billed Party Preference regulation. The correctional facility inmate phone industry would be severely jeopardized by BPP, affecting inmates, their families and the criminal justice system as a whole. *For this reason, we are asking that inmate calls be exempt from the proposed BPP regulation.*

Over the past ten years, administrators of correctional facilities have been able to put into place a very effective system for allowing inmate phone calls. The right to choose our phone service provider has been key to our success. This service has always been delivered to us at very reasonable rates. What's more, inmate phone commissions have been a significant source of revenue for our facility and have helped us improve it dramatically. *We use this revenue to fund various programs including: law enforcement education; inmate health, education and recreation; jail personnel safety; drug prevention and other community programs; family visitation etc.*

Here are a few of my biggest concerns about Billed Party Preference:

- It strips correctional facility administrators of the right to choose inmate phone providers.
- Technology for BPP would reportedly cost upwards of \$1.5 billion, an expense that would have to be passed along to the consumer.
- Without the authority to process calls, inmate phone providers would no longer have the revenue to provide the sophisticated phone systems used in prisons. The end result: fewer phones with fewer security features. Facilities would have to revert to the old ways of supervising each and every inmate call.
- The average length of stay in jail would increase because inmates would not have the phone privileges required to make arrangements for obtaining bond. *This costs everyone!*
- Under BPP, correctional facilities would no longer have control over inmate calls, which means no call tracking or blocking. Inmates could conceivably harass judges, witnesses, jury members or even the victims of their crimes.
- Without call control, facilities would be unable to control fraud problems currently handled by inmate phone providers.

For the above reasons, and countless others, we believe that THE COSTS OF BILLED PARTY PREFERENCE FOR INMATE CALLS FAR OUTWEIGH THE BENEFITS. If BPP does become regulation, we urge you to make inmate calls exempt. Thank you for your consideration of my views.

Sincerely,

A. S. Mitchell

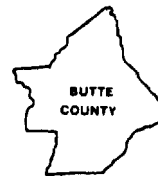
Sheriff of Wright Co.

P.O. Box 250

Hartsville MO 60667



BUTTE COUNTY SHERIFF'S DEPARTMENT



DOCKET FILE COPY ORIGINAL

MICK GREY
Sheriff/Coroner
July 25, 1994

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AUG 12 1994

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

**The Honorable Reed E. Hundt, Chairman
Federal Communications Commission
1919 M Street, NW
Washington, D.C. 20554**

Re: CC Docket No. 92-77 Opposition to Billed Party Preference

Dear Chairman Hundt:

We are opposed to the application of Billed Party Preference (BPP) at our inmate correctional facilities.

We have analyzed the security and administration needs at our facilities and have found it to be necessary to route inmate phone calls from our facility to a single carrier, Corrections TeleCom Group, Inc., that is equipped to handle inmate calls and with whom we have a contractual relationship. We are sensitive to the rates inmate families pay for calls and fully appreciate the FCC's concern if some jail administrators do not take responsibility for protecting inmate families from abusive rates. Our prior and current contract specifies that our contractual carrier shall "...maintain at all times, collect call or person-to-person rates which clone the tariffed Bell and AT&T rates for said calls, and to conform to all standard telecom practices and guidelines set by the FCC, California Public Utility Commission and any other applicable state or federal laws."

For security reasons and the prevention of crime we cannot allow inmates to have open access to the telecommunications network and the freedom to use any carrier they please. BPOP will take away our right to coordinate inmate calls through a carrier we know and trust. Instead, inmate calls will be routed to a number of different carriers, none of whom will have any obligation to us, and few that will be trained to handle inmate calls.

BPP will eliminate our ability through contractual agreement to control costs through contractual agreements for the supply, maintenance and repair of inmate phone equipment. Additionally, BPP will eliminate the ability to provided free (no cost to inmates or their families) phone calls between inmates and their respective attorneys, parole and probation officers, children protective services and the County Clerk's Office.

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Page 2

The Honorable Reed E. Hundt, Chairman

July 25, 1994

Furthermore, BPP would eliminate the revenue source that finances our inmate phone and severely impact the financing of inmate programs such as health education, high school diploma and GED education programs. We, as well as many other jurisdictions, are under a local consent decree, federal court order and state regulations to provide these types of programs to inmates. Given the constant budgetary constraints we are under, we cannot afford to provide these programs or this phone equipment without the help of the inmate phone service providers.

We urge you to not to adopt regulations that interfere with our administrative and security decisions - decisions that are clearly within our discretion and which we have a public responsibility to make.

Very truly yours,

**Mick Grey
Sheriff-Coroner**

by:

**Daniel T. Young, Assistant Sheriff
Corrections**

DTY:hw

**cc: The Honorable James H. Quello
The Honorable Rachelle B. Chong
The Honorable Andrew C. Barrett
The Honorable Susan Ness**

Sheriff's Department
708 Furnace Street Ext.
Cumberland, MD 21502
301-777-5959
Fax # 301-777-2254

Allegany County
Sheriff's Office



Sheriff Gary W. Simpson

DOCKET FILE COPY ORIGINAL

Detention Center
59 Prospect Sq.
Cumberland, MD 21502
301-777-5918
Fax # 301-777-8968

John A. Bone
Administrator
301-777-5961

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'AUG 11' 2 1994

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

July 26, 1994

The Honorable Reed E. Hundt, Chairman
Federal Communications Commission
1919 M Street, N.W.
Washington, D.C. 20554

RE: CC Docket No. 92-77 Opposition to Billed Party Preference

Dear Chairman Hundt:

We are opposed to the application of Billed Party Preference (BPP) at inmate facilities.

We have analyzed the security and administration needs at our facility and have found it to be necessary to route inmate calls from our facility to a single carrier that is equipped to handle inmate calls and with whom we have a contractual relationship. We cannot allow inmates to have open access to the telecommunications network and the freedom to use any carrier they please. BPP will take away our right to coordinate inmates' calls through a carrier we know and trust. Instead, inmate calls will be routed to a number of different carriers, none of whom will have any obligation to us, and few that will be trained to handle inmate calls.

We have also found it necessary to install phone equipment that is specifically designed for inmate calls. This equipment helps prevent fraud, abusive calls, and other criminal activity over the telephone network. Given the constant budgetary constraints that we are under, we cannot afford to provide this equipment without the help of inmate phone service providers. BPP would allow also eliminate the revenue stream that finances our inmate phones. If BPP is applied to inmate facilities, there will be no way for us to finance these phones, nor will there be inmate phone service providers to assist us. Without inmate phones, the morale of our inmates will be devastated. The resulting increase in tension will make it more difficult for our staff to manage the inmates.

Furthermore, we are sensitive to the rates inmate families pay for calls. We fully appreciate the FCC's concern if some Sheriffs do not take responsibility for protecting inmate families from abusive rates. We do not agree with the FCC that the solution for this lack of responsibility is BPP. The proper and

"Elected by the people to serve and protect"

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more effective action would be to adopt rate ceilings on inmate calls and then let Sheriffs enforce these rate ceilings through their contracts. Indeed we believe the overwhelming majority of Sheriffs are committed to requiring rates that are fair and reasonable.

In short, BPP would take away our ability to employ important security and administrative measures that we have found to be necessary at our facility, ultimately reducing inmate phone availability, which in turn decreases the efficiency of our staff. We urge you to not adopt regulations that interfere with our administrative and security decisions -- decisions that are clearly within our discretion and which we have a public responsibility to make.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Lt. John A. Bone", is written over the typed name and title.

Lt. John A. Bone

Administrator

Allegany County Detention Center

JAB/csc



P.O. BOX 448
COURTHOUSE
RIDGWAY, PA 15853-0448

July 27, 1994

Elk County Prison

DOCKET FILE COPY ORIGINAL



PHONE: (814) 776-5342
FAX: (814) 776-5379
Warden: Paul Reanick

RECEIVED

AUG 12 1994

The Honorable Reed E. Hundt, Chairman
Federal Communications Commission
1919 M Street, NW
Washington, D.C. 20554

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Re: CC Docket No. 92-77 Opposition to Billed Party Preference

Dear Chairman Hundt:

We are opposed to the application of Billed Party Preference (BPP) at inmate facilities.

We have analyzed the security and administration needs at our facility and have found it to be necessary to route inmate calls from our facility to a single carrier that is equipped to handle inmate calls and with whom we have a contractual relationship. We cannot allow inmates to have open access to the telecommunications network and the freedom to use any carrier they please. BPP will take away our right to coordinate inmate calls through a carrier we know and trust. Instead, inmate calls would be routed to a number of different carriers, none of whom will have any obligation to us, and few that will be trained to handle inmate calls.

We have also found it necessary to install phone equipment that is specifically designed for inmate calls. This equipment helps prevent fraud, abusive calls, and other criminal activity over the telephone network. Given the constant budgetary constraints that we are under, we cannot afford to provide this equipment without the help of inmate phone service providers. BPP would

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also eliminate the revenue stream that finances our inmate phones. If BPP is applied to inmate facilities, there will be no way for us to finance these phones, nor will there be inmate phone service providers to assist us. Without inmate phones, the morale of our inmates will be devastated. The resulting increase in tension will make it more difficult for our staff to manage inmates.

Futhermore, we are sensitive to the rates inmate families pay for calls. We fully appreciate the FCC's concern if some Sheriffs do not take responsibility for protecting inmate families from abusive rates. We do not agree with the FCC that the solution for this lack of responsibility is BPP. The proper and more effective action would be to adopt rate ceilings on inmate calls and then let Sheriffs enforce these rate ceilings through their contracts. Indeed we believe the over whelming majority of Sheriffs are committed to requiring rates that are fair and resonable.

In short, BPP would take away our ability to employ important security and administrative measures that we have found to be necessary at our facility, ultimately reducing inmate phone availability, which in turn decreases the efficiency of our staff. We urge you to not adopt regulations that interfere with our administrative and security decisions--decisions that are clearly within our discretion and which we have a public responsibility to make.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Paul Rearick", with a stylized, cursive script.

Paul Rearick, Warden
Elk County Prison
PO Box 448
Ridgway, PA 15853

July 20, 1994

The Honorable Nancy Landon Kassebaum
United States Senate
Russell Bldg., Room 302
Washington, D. C. 20510

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AUG 12 1994

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Re: CC Docket #92-77

Dear Senator:

I am writing to voice my concerns about the proposed Billed Party Preference regulation. The correctional facility inmate phone industry would be severely jeopardized by BPP, affecting inmates, their families and the criminal justice system as a whole. *For this reason, we are asking that inmate calls be exempt from the proposed BPP regulation.*

Over the past ten years, administrators of correctional facilities have been able to put into place a very effective system for allowing inmate phone calls. The right to choose our phone service provider has been key to our success. This service has always been delivered to us at very reasonable rates. What's more, inmate phone commissions have been a significant source of revenue for our facility and have helped us improve it dramatically. *We use this revenue to fund various programs including: law enforcement education; inmate health, education and recreation; jail personnel safety; drug prevention and other community programs; family visitation etc.*

Here are a few of my biggest concerns about Billed Party Preference:

- It strips correctional facility administrators of the right to choose inmate phone providers.
- Technology for BPP would reportedly cost upwards of \$1.5 billion, an expense that would have to be passed along to the consumer.
- Without the authority to process calls, inmate phone providers would no longer have the revenue to provide the sophisticated phone systems used in prisons. The end result: fewer phones with fewer security features. Facilities would have to revert to the old ways of supervising each and every inmate call.
- The average length of stay in jail would increase because inmates would not have the phone privileges required to make arrangements for obtaining bond. *This costs everyone!*
- Under BPP, correctional facilities would no longer have control over inmate calls, which means no call tracking or blocking. Inmates could conceivably harass judges, witnesses, jury members or even the victims of their crimes.
- Without call control, facilities would be unable to control fraud problems currently handled by inmate phone providers.

For the above reasons, and countless others, we believe that THE COSTS OF BILLED PARTY PREFERENCE FOR INMATE CALLS FAR OUTWEIGH THE BENEFITS. If BPP does become regulation, we urge you to make inmate calls exempt. Thank you for your consideration of my views.

Sincerely,



Morris County, Kansas Sheriff

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The Honorable Reed Hundt, Chairman
Federal Communications Commission
1919 M Street, N.W.
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Sincerely,

Merlin R. Dixon
Adams County Sheriff
Corning, Ala. 36841

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The Honorable Reed Hundt, Chairman
Federal Communications Commission
1919 M Street, N.W.
Washington, D. C. 20554

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Sincerely,



Donald R. Barry
Sheriff of Clark County

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AUG 12 1994

July 20, 1994

The Honorable John Danforth
United States Senate
Russell Bldg., Room 249
Washington, D. C. 20510

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Re: CC Docket #92-77

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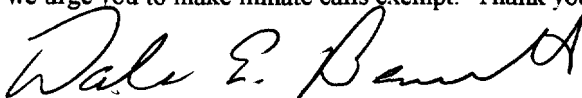
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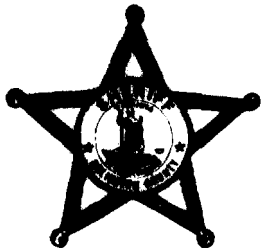
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THOMAS N. FAUST
SHERIFF

ARLINGTON COUNTY, VIRGINIA
OFFICE OF THE SHERIFF
COURTHOUSE
1400 N. COURTHOUSE ROAD, ROOM 214
ARLINGTON, VIRGINIA 22201
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July 27, 1994

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AUG 12 1994

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Honorable Reed E. Hundt
Federal Communications Commission
1919 M Street, N.W.
Washington, D.C. 20554

RE: Billed Party Preference; CC Docket No. 92-77

Dear Mr. Hundt:

It has come to my attention that the FCC is considering a proposal to route telephone calls via the carrier chosen by the party paying for the call, Billed Party Preference "BPP". As an administrator of a correctional facility, I have a great concern that approval of such a proposal will cause critical adverse effects by eliminating inmate phone service commissions and control features supplied by the phone service providers.

Like many correctional facilities, our's uses funds from phone service commissions to benefit the community by funding programs and services for incarcerated individuals. Educational and substance abuse programs, materials and equipment, and inmate pay for work programs will all be adversely affected or eliminated by losing this source of funding.

The present inmate phone systems also provide automated security which allows the inmate to access a telephone without the need for staff intervention to provide security. This represents a service to the community by allowing inmates a way to easily access their families (if the family member accepts the call) using the telephone. Prior to using an automated inmate phone system in our facility, inmate use of a telephone was limited to only one personal call per week due to the burden of staff having to dial a number for an inmate. Since using an automated inmate phone system, my staff have had more time to perform important safety and security functions.

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Please accept this letter as a plea to not approve the Billed Party Preference proposal. The modern day automated inmate phone systems are very important to successful operations in a correctional facility.

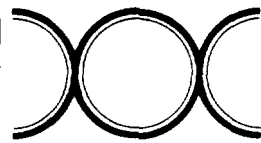
Sincerely,

A handwritten signature in black ink, appearing to read "T. N. Faust". The signature is stylized with a large, sweeping initial "T" and a long horizontal line extending to the right.

Thomas N. Faust
Sheriff

cc: Honorable James H. Quello
Honorable Andrew C. Barrett
Honorable Rachelle B. Chong
Honorable Susan Ness

Minnesota
Department of
Corrections



DOCKET FILE COPY ORIGINAL
Office of the Commissioner

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July 25, 1994

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The Honorable Reed E. Hundt, Chairman
Federal Communications Commission
1919 M Street Northwest
Washington, D.C. 20554

AUG 12 1994

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Dear Chairman Hundt:

The Minnesota Department of Corrections offers the following comments regarding Billed Party Preference -- CC Docket No. 92-77.

This issue is of great concern to this agency as it relates to inmate phone systems in our correctional facilities. Currently we have 4381 inmates in ten correctional facilities throughout the state. Of this total, 95 percent are in facilities where they now have access to inmate phone systems or which currently have bids out for such systems.

Inmate phone systems are very crucial to the safe and efficient operation of our correctional facilities. Using these systems, it is possible to limit prisoners' calls to only certain authorized telephone numbers or to restrict them from calling certain prohibited numbers. Without such control, prisoners would be able to harass judges, jurors, witnesses and victims, and would be able to conduct illegal business while still confined to prison.

The systems we have installed operate at no cost to the state because the vendor receives a profit on the local and long distance charges paid by the prisoners. In fact, the vendor actually returns a portion of the profit to the state, which is now about \$450,000 per year. This money is used to provide social welfare and athletic activities for prisoners which otherwise would have to be paid for with state tax revenues. In Minnesota, as in every other state, these tax revenues are extremely short.

If Billed Party Preference were an option in inmate phone systems, vendors providing these systems would stand to lose their long distance revenues, and thus would decline to continue providing these systems. It would then be necessary to revert to previous practices which required prison guards to arrange for and monitor prisoners' calls. This system used prison staff that we simply do not have available in light of the ever-increasing inmate population.

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Honorable Reed E. Hundt
July 25, 1994
Page two

There is also an actual benefit for the prisoner who makes legitimate use of telephone calling privileges because the telephone is much more available using the inmate calling systems than when prison guards arrange and monitor the calls. Naturally, the prisoner making illegitimate use would prefer the old guard-handled system.

In summary, I urge the Federal Communications Commission to exempt inmate phone systems in correctional facilities from Billed Party Preference. It is not my intent to suggest how the commission should rule on this issue in other applications, but only in the case of inmate phone systems.

Thank you for your attention to the concerns of the State of Minnesota. I appreciate your soliciting comments on this crucial issue.

Sincerely,

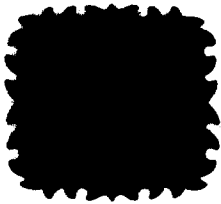
A handwritten signature in dark ink, appearing to read "Frank W. Wood". The signature is fluid and cursive, with the first name "Frank" being the most prominent.

Frank W. Wood
Commissioner

FWW:sb

cc Commission members:

Honorable James H. Quello
Honorable Andrew C. Barrett
Honorable Rachelle B. Chong
Honorable Susan Ness



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July 21, 1994

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AUG 11 2 1994

The Honorable Reed E. Hundt, Chairman
Federal Communications Commission
1919 M. street, NW - Room 814
Washington, D.C. 20554

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Re: Billed Party Preference/CC Docket No. 92-77

Dear Chairman Hundt:

We are writing to express our opposition to your agency's proposal to implement the costly Billed Party Preference (BPP) regime throughout the telephone network. Nevada is customer service conscious and BPP will drastically alter our ability to continue to provide our customers with quality telecommunications service.

The F.C.C.'s further Notice of Proposed Rulemaking for BPP short-sightedly assumes that the revenue sharing arrangements between providers of public communications services and operator service providers (OSP) are unnecessary costs that do not benefit the public. Nothing could be further from the truth. The commission revenue we receive ultimately justifies our investment in space, equipment and maintenance to provide phone service to the public. BPP will cut off this critical source of funding. Without this necessary revenue stream, we simply could not afford to provide the public with the same level of calling opportunities that we currently provide. We are concerned that your staff has apparently overlooked this important and fundamental dynamic of the public communications industry.

Further, all of our phones are programmed to be in compliance with the Telephone Operator Consumer Services Improvement Act of 1990 (TOCSIA) to allow callers to access the carriers of their choice. We support the proposition that the calling party should be able to access the carrier of their choice and have spent substantial financial resources to see that the consumer benefits of TOCSIA are fulfilled. BPP is clearly a redundant and unnecessary federal response to a problem that has already been resolved.

BPP will impose new and unnecessary costs and inconvenience for consumers. BPP will cost billions to implement and will have continuing costs that consumers must ultimately bear. In addition, consumers will be faced with longer call set up times and will need to repeat billing information to two operators on some calls. In short, it is questionable what, if any, benefits consumers will see from BPP.

Moreover, it does not appear that the Commission has sufficiently addressed the high risk for increased fraud that will occur with BPP. Clearly, there are numerous local exchange carriers (LEC), particularly those in rural areas where many prisons and jails reside, that cannot afford to implement the enhanced screening features necessary to prevent fraud under BPP. Smaller long distance companies may likewise lack the ability to prevent the new opportunities for fraud that BPP will bring.

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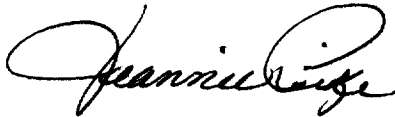
Competition and innovation will also be eliminated by BPP. Prior to competition from independent payphones and operator service providers the LEC's were the monopoly providers of public communications. Competition has brought new service options, greater responsiveness to our needs and fair commission structures.

Finally, like any other business, we are concerned about the rates charged to consumers. As such, we require our payphone providers and OSP's to charge competitive rates only. To the extent that the Commission feels certain consumers need additional protection, it would seem that the better alternative to BPP would be to establish and enforce reasonable rate ceilings.

Although on it's face Billed Party Preference seems appealing, it suffers from numerous flaws. We respectfully ask the Commission to reject it's Billed Party Preference proposal.

Thank you for you consideration in this matter.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Jannie Rife". The signature is fluid and cursive, with a large initial "J" and a stylized "R".

cc: The Honorable James H. Quello
The Honorable Andrew C. Barrett
The Honorable Rachelle B. Chong
The Honorable Susan Ness



OFFICE OF THE SHERIFF

P.O. BOX 15125

CHESAPEAKE, VA 23328

TELEPHONE: (804) 547-6159

ADMINISTRATIVE OFFICE FAX: (804) 436-8392
CORRECTIONAL CENTER FAX: (804) 436-8525

JOHN R. NEWHART, SHERIFF
NOAH BYRUM, JR., UNDERSHERIFF
CLAUDE A. STAFFORD, JR., CHIEF DEPUTY

July 25, 1994

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AUG 12 1994

The Honorable Reed E. Hundt, Chairman
Federal Communications Commission
1919 M Street, NW
Washington, D. C. 20554

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

RE: CC Docket No. 92-77 Opposition to Billed Party Preference

Dear Chairman Hundt:

We are opposed to the application of Billed Party Preference (BPP) at inmate facilities.

We have analyzed the security and administration needs at our facility and have found it to be necessary to route inmate calls from our facility to a single carrier that is equipped to handle inmate calls and with whom we have a contractual relationship. We cannot allow inmates to have open access to the telecommunications network and the freedom to use any carrier they please. BPP will take away our right to coordinate inmate calls through a carrier we know and trust. Instead, inmate calls will be routed to a number of different carriers, none of whom will have any obligation to us, and few that will be trained to handle inmate calls.


We have also found it necessary to install phone equipment that is specifically designed for inmate calls. This equipment helps prevent fraud, abusive calls, and other criminal activity over the telephone network. Given the constant budgetary constraints that we are under, we cannot afford to provide this equipment without the help of inmate phone service providers. BPP would also eliminate the revenue stream that finances our inmate phones. If BPP is applied to inmate facilities, there will be no way for us to finance these phones, nor will there be inmate phone service providers to assist us. Without inmate phones, the morale of our inmates will be devastated. The resulting increase in tension will make it more difficult for our staff to manage inmates.

Furthermore, we are sensitive to the rates inmate families pay for calls. We fully appreciate the FCC's concern if some Sheriffs do not take responsibility for protecting inmate families from abusive rates. We do not agree with the FCC that the solution for this lack of responsibility is BPP. The proper and more effective action would be to adopt rate ceilings on inmate calls and then let Sheriffs enforce these rate ceilings through their contracts. Indeed we believe the overwhelming majority of Sheriffs are committed to requiring rates that are fair and reasonable.

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In short, BPP would take away our ability to employ important security and administrative measures that we have found to be necessary at our facility, ultimately reducing inmate phone availability, which in turn decreases the efficiency of our staff. We urge you to not adopt regulations that interfere with our administrative and security decisions--decisions that are clearly within our discretion and which we have a public responsibility to make.

Respectfully submitted,



John R. Newhart, Sheriff
Chesapeake Sheriff's Office

JRN:cj

STATE OF COLORADO

PUBLIC UTILITIES COMMISSION

Robert E. Temmer, Chairman
Christine E. M. Alvarez, Commissioner
Vincent Majkowski, Commissioner
Bruce N. Smith, Director

Department of Regulatory Agencies

Joseph A. Garcia
Executive Director



Roy Romer
Governor

June 10, 1994

Mark Nadel
Federal Communications Commission
Common Carrier Bureau
1919 M Street, Room 544
Washington, DC 20554

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AUG 12 1994

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

92-77

Dear Mark:

I appreciate your candid discussions today regarding Billed Party Preference. Although I do not know whether the Colorado Commission or the staff will provide formal comments in that Rulemaking, I appreciate your agreeing to send me a copy of the NOPR. As I discussed with you, our Commission has had very active participation in the OSP and COCOT industries in the past couple of years. Therefore, I think we would want to keep informed on the direction the FCC is going and possibly provide comments when appropriate.

As we also discussed, I have prepared a paper relating to the general economics of the OSP industry as viewed from a state and local perspective. This paper is currently in draft form; however I have submitted it to the National Regulatory Research Institute for possible publication in an upcoming quarterly bulletin. I will provide a copy of this draft for your information. If you believe there is anything in the paper that you believe might be relevant to your proceeding, I will work with you to get that information into your process. Otherwise, feel free to provide any feedback you may have as we are very interested in resolving the problems consumers are experiencing in the OSP market.

Your truly,

Bruce H. Armstrong
Senior Professional Engineer
(303) 894-2000 Ext. 372

Enclosure

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Consumer Affairs (303) 894-2070

Permit and Insurance (Outside Denver) 1-800-888-0170 Consumer Affairs (Outside Denver) 1-800-456-0858

V/TDD (303) 894-7880 Fax (303) 894-2065 Hearing Info (303) 894-2025

Competition in the Operator Services Industry

Bruce H. Armstrong¹

Executive Summary

In recent years, the provision of operator services industry has developed into a major industry in this country. It has developed in competition with Local Exchange Company and Interexchange Carrier operator services and is used primarily in conjunction with long distance services for independent pay telephone providers and the lodging industry. However, the industry has been plagued by consumer complaints about high rates, poor service, and billing problems. This paper provides a history and description of the industry, an explanation of the unique market structure under which it operates, and recommendations for regulations necessary for the proper balance of consumer protection and optimum market performance.

Introduction and History

During the past several years, the operator services industry has been placed under greater regulatory scrutiny, primarily because of the increasing levels of consumer dissatisfaction with service and rates. The industry structure that has developed has no closely analogous economic or regulatory model. This paper describes the current industry development as a predicate for regulatory safeguards. Without regulatory safeguards, consumers are unduly disadvantaged through high prices and inadequate recourse.

To begin any discussion relevant to modern telecommunications, it seems we must begin A.D. ("After Divestiture"). In June, 1984, the Federal Communications Commission (FCC) issued an order allowing for Customer-Owned, Coin-Operated Telephone ("COCOT" or "IPP")² registration. Under the terms in the FCC order, COCOTs were allowed to compete with telephone company provision of pay telephone service. In the years following the birth of the COCOT industry, it became apparent that certain limitations were placed upon the COCOT industry that were not equally borne by the local exchange companies (LECs). First, the LEC pay phones were provided over specially equipped lines, providing such features and functions as answer supervision, direct connection to LEC or interexchange carrier (IXC) operators, and signalling for coin collection³. COCOTs did not enjoy these same capabilities. However, necessity being the mother of invention, the COCOT industry developed innovative "smart" telephone sets in order to overcome the LEC coin line advantages. Also, the necessity of

¹ Senior Professional Engineer, Colorado Public Utilities Commission. The opinions expressed herein are those of the author and may not represent the policies or opinions of the Colorado Public Utilities Commission.

² The acronym COCOT has historically been used by the FCC; however, various other names have been adopted in other areas, e.g., Customer Owned Pay Telephone ("COPT") or Independent Public Phone ("IPP").

³ This occurred because the LEC payphones were designed without regard to competitive possibilities. The LEC payphone was and still is inexorably interconnected into the LEC switching and operator services functions. To go into all of the details of this situation is beyond the scope of this paper.